BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF WASHINGTON

In the Matter of the Application regarding the Conversion and Acquisition of Control of Premera Blue Cross and its Affiliate

Docket No. G02-45

Special Master's Case Schedule Recommendation

Following consultation with the Commissioner, the Special Master recommends the following Case Schedule. (Recommended dates are measured from the trigger date described in the "Special Master's Scheduling Recommendation" dated July 7, 2003, at pages 3-4.)

Deadline for OIC Staff to submit Draft Consultant Reports & Executive Summaries
 Trigger date ("T") + 6 (weeks)
 T+8

- 2. Deadline for Premera to

 (a) recommend redactions of confidential information contained in the Draft Consultant Reports prior to public release;
 (b) suggest amendments to the Draft Consultant Reports to address factual errors; and
 (c) amend Premera's Form A Application
 3. Deadline for OIC Staff to submit Final Consultant Reports
 T + 10
 4. Deadline for Premera and Interveners to submit Final Expert Reports
 T + 12
 5. Deadline for final disclosure of Fact Witnesses
 T + 13
 6. Deadline for Depositions of OIC Consultants
 T + 14
- 7. Deadline for depositions of Premera and Intervener Experts T + 16
 8. Final Discovery Cut-Off T + 17
 9. Deadline for OIC Staff, Premera and Interveners T + 19

to submit Pre-Filed Direct Testimony

- 10. Deadline for Pre-Filed Responsive Testimony (responsive to pre-filed direct testimony)
 11. Hearing begins (10-15 hearing days)
 T + 24
- 12, Deadline for Post-Hearing Submissions 2 weeks after hearing ends
- 13, Commissioner's Decision

 As soon as possible after Post-Hearing Submissions

Recommended this 14th day of July, 2003

George Finkle

Special Master for the Insurance Commissioner

The Insurance Commissioner having reviewed the Scheduling Recommendation of the Special Master, such recommendation is hereby adopted/modified.

Entered this day of , 2003 Mike Kreidler Insurance Commissioner